(c) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Finance Minister in his Budget Speech, 2005-06 has announced the decision of the Government to adopt an Exempt Exempt Tax (EET) method of taxation of savings in accordance with the best international practice. In order to resolve a number of administrative issues, a Committee of Experts has been set up to work out the roadmap for moving towards an EET method of taxation of saving instruments. The Committee is likely to submit its report by 31.10.2005.

Interest rate of PPF deposits

2247. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that interest rate on PPF deposits for the year 2002-03 onwards has been decided;

(b) if so, the details thereof; and

(c) the reasons for not deciding the date before the commencement of the relevant financial year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The applicable rate of interest on deposits under the Public Provident Fund (PPF) Scheme was fixed at 9 per cent per annum with effect from 1.3.2002. The rate was revised to 8 per cent per annum with effect from 1.3.2003 and continues unchanged since then. The applicable rates were notified in the Gazette of India on the same dates.

(c) Question does not arise.

Revamping of stamp paper procurement system

2248. DR. KARAN SINGH:
DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have comprehensively revamped stamp paper procurement system by institutionalizing a number of security features;

(b) if so, whether the Centre has done away with the practice of taking orders on a quarterly basis;

(c) whether Government have now decided and has asked States to place orders for three years with security prices;

(d) if so, what are other steps taken to revamp issuing norms for stamp paper; and

(e) to what extent this will check Telgi Scam on stamp paper in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes Sir.

(b) and (c) Yes Sir. The States are now required to place 3 years rolling indent with a six monthly supply schedule to ensure realistic indent and better production planning. The indenters are also required to make an advance payment of 30% of the cost of indents at the time of placing orders and make balance payment of 70% at the time of taking delivery of the products.

(d) The following steps have been taken to revamp issuing norms for stamp paper:

(i) A centralized indent in respect of each state should be placed by the indenters.

(ii) To eliminate the possibility of pilferage and theft en-route, the supplies to indentors has been made on F.O.R. basis at Security Printing Press, Hyderabad as is the practice at India Security Press, Nasik.

(e) Along with the steps taken above, the introduction of enhanced security features in stamp papers would make counterfeiting of stamp papers extremely difficult.

Visit of intelligence officials to US to combat smuggling of counterfeit currency

2249. SHRIMATI SUKHBUNS KAUR: Will the Minister of FINANCE be pleased to state:

(a) whether a delegation of Indian Inteiligence Officials visited the US for talks on combating counterfeit currency smuggled into and in circulation in the country;